

Executive Update

Milwaukee County Executive Scott Walker's Weekly Newsletter

August 3, 2007

Message from County Executive Walker

A series of stories ran this past week about the pension system in Milwaukee County. Here are some thoughts about the stories:

Given all that was going on with the pension scandal and the budget challenges brought on by that, we did not realize the scope and magnitude of the buy-in and buy-back provisions started more than a decade ago. In fact, over the past few years, we enacted a number of reforms to the pension system to control and roll back the massive enhancements by prior administrations.

As reported, the members of the Pension Board took action in 2005 to end the program after an individual sought to get the same deal that another employee received years ago. The Pension Board, however, was not aware at that time of the apparent IRS implications associated with the program or the accumulated long-term cost implications.

It was not until this year that the full impact was understood and a recommendation was made to report this to the IRS. I supported that action.

Furthermore, I want the county to work with the IRS and the Pension Board to determine how best to terminate any improperly granted benefits and to pursue refunds to the pension system. Every effort must be made to lower the fiscal impact to the county.

In addition, I will take action to conduct an independent review of the pension system. Work will begin immediately.

While it is frustrating to learn of more issues with the pension system, we have made significant reforms:

- *Cabinet members, key managers, all new at-will employees – as well as myself - signed waivers giving up the pension enhancements approved in 2000.*
- *The lump sum, backdrop benefit is capped on all employee groups.*
- *We are aggressively pursuing a lawsuit against the firm whose actuaries gave the County false and misleading information in 2000 regarding*

the impact of the pension vote (currently pending in court).

- *Membership of the Pension Board was changed to insure financial literacy and personal independence and to prevent the concentration of power.*

In addition, we proposed a plan to deal with the unfunded liability of the pension system. Currently, we are seeking state approval to make the proposal even more cost effective for the county.

While it is a new day in Milwaukee County and we made tremendous progress over the past few years, I am deeply troubled by the secrets hiding in the past that continue to surface. My resolve is stronger than ever to work with the County Board –as well as talented people from outside county government – to identify and correct any lingering issues. While the work of reform is obviously not complete, we are and will continue to clean up this system.

There are many great things happening in Milwaukee County. It is a shame that secrets hidden in the past keep surfacing to drag attention away from the positive things taking place in our county and from our efforts to meet the challenges of the future.

*Still, I hope you will join me at one of our **budget workshops**. On Monday, we will be at the Wilson Park Senior Center from 10:00 to 11:30am. On Tuesday, we will be at the Brown Deer Public Library from 2:00 to 3:30 pm. On Monday, August 13, we will be at the Washington Park Senior Center from 5:30 to 7:00 pm. I hope you can join us to talk about the future of Milwaukee County.*

-Scott



Walker Proclaims "Bob and Brian Day"



County Executive Walker presented Bob Madden and Brian Nelson with a proclamation recognizing their 20th Anniversary on-air at WHQG 102.9, "The Hog."

State Fair Opening



County Executive Walker joins Wisconsin State Fair Park Executive Director Randy Prasse and other officials to formally open the 2007 Wisconsin State Fair which runs through Sunday, August 12. See this year's lineup at www.wistatefair.com.

Support the Parks

County Executive Walker and Parks Director Sue Black promote the raffle of a Harley-Davidson motorcycle to benefit the parks. Other items in the raffle include dinner for 10 at Lake Park Bistro, \$1000 certificate to Coast Restaurant, and a Trek L200 Bicycle from Wheel & Sprocket. The \$5 tickets are available at all 15 county park golf courses, all US Bank locations in the county, and other locations noted on the parks website at www.countyparks.com.

Walker Applauds Airport Achievements

County Executive Walker applauded recent achievements at General Mitchell International Airport that have received national recognition with mention in USA Today:

<http://blogs.usatoday.com/sky/?csp=Travel>

An all-time monthly passenger record of 715,422 fliers was set in June, an increase of 7.9% over last June.

Adding to convenience for those flying out of Mitchell, beginning December 15, Frontier Airlines will add nonstop service from Milwaukee to Cancun.

Eight new gates were added to Concourse C, and amenities include floor to ceiling windows, a children's play area, a set of workstations where travelers can charge laptops, and a terrazzo tile floor with mosaics depicting various aspects of life in southeastern Wisconsin.

Walker Attends Community Events



County Executive Walker recently attended the American Heart Association Walk at Schlitz Park opening ceremonies for German Fest, and the graduation ceremony for the Senior Statesmen program participants.